

PROGRAM TO ENHANCE COMPETITIVENESS IN THE APPAREL SECTOR

(TC-99-12-01-4)

EXECUTIVE SUMMARY

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| Executing agency: | Asociación Hondureña de Maquiladores [Honduran Apparel Manufacturers Association] (AHM). | |
| Beneficiaries: | Garment workers, technicians and middle management (supervisors, mechanics, instructors, quality control inspectors, human resource managers), together with trainers and academic and vocational institutions. Officials with the Ministry of Labor and trade unions will also benefit from this program. | |
| Objectives: | <p>The overall objective of this program is to enhance the competitiveness of the apparel industry in Honduras.</p> <p>Its specific objectives are to: (i) improve productivity of the sector's labor force through the creation of an in-service training system for garment workers and middle management; (ii) improve working conditions (especially in the area of occupational safety and health) for persons employed in the apparel industry; and (iii) ensure that employers in the sector are aware of the advantages of investing in continuous training and occupational safety and health.</p> | |
| Description: | <p>The program is designed to augment the comparative advantage enjoyed by Honduras' apparel industry by raising the productivity and improving the working conditions of the sector's workers. The program consists of the following three components: (i) in-service training system in production methods; (ii) an occupational safety and health system; and (iii) awareness, information and reporting of results.</p> | |
| Financing: | Modality: | Grant |
| | MIF: (Window II) | US\$1,100,000 |
| | Local counterpart: | US\$ 897,500 |
| | Total: | US\$1,997,500 |
| Terms: | Execution period: | 36 months |
| | Disbursement period: | 46 months |

**Special
contractual
clauses:**

As a condition precedent to the first disbursement, the AHM must present evidence satisfactory to the Bank that: (i) the Program Coordinator has been hired and possesses the professional qualifications agreed upon with the Bank; and (ii) the Work Plan for the initial six-month period of the program has been drawn up, and must include the terms of reference for the technical committee on productive training and the advisory committee on occupational safety and health and worker supervisor relations.